



Ministry of Justice

Review of the introduction of Employment Tribunal Fees

Terms of Reference

1. To review the impact of the introduction of fees in the Employment Tribunals and the Employment Appeals Tribunal, including the scheme of fee remissions, to determine how successful this has been in achieving the original objectives:
 - a. financial: transfer a proportion of the costs from the taxpayer to those who use the tribunal where they can afford to do so;
 - b. behavioural: to encourage parties to seek alternative ways of resolving their disputes; and
 - c. justice: maintain access to justice.
2. To gather the evidence to support this analysis, including, where available, data and research on:
 - a. the take up of alternative dispute resolution services, including the numbers of people using ACAS's conciliation services and the impact of mandatory notification of a dispute;
 - b. the volumes of claims received and how cases progress in the Employment Tribunals and Employment Appeals Tribunal, including outcomes - settlements and withdrawals, cases determined by a substantive hearing;
 - c. data on fee remissions, including applications made, applications granted and applications refused;
 - d. financial information, including income received from fees, the costs (including implementation costs) incurred in setting up systems to charge and collect the fees and savings delivered;
 - e. the characteristics of those who use the Employment Tribunals and Employment Appeals Tribunal, in particular users with protected characteristics; and
 - f. other research, both Government and external evidence, relevant to resolving workplace disputes.
3. To consider other factors that influenced trends in the number of Employment Tribunal cases:
 - a. Evaluate the historic downward trend in ET cases prior to the introduction of fees, and continuation of this trend following the introduction.
 - b. The impact of the improvement in the economy on the number of people having their employment terminated.
 - c. To assess whether there has been a reduction in weak or unmeritorious claims
 - d. Whether there has been any impact from changes to employment law.

- e. What impact the introduction of fees has had on claims from people who would not otherwise have been able to get anything from a former employer due to insolvency, or another similar reason.
 - f. Other changes in users' behaviour which has resulted in a fall in volumes of claims.
4. To make recommendations for any changes to the structure and level of fees for proceedings in the Employment Tribunals and the Employment Appeals Tribunal, including recommendations for streamlining procedures to reduce costs.